

# ENERGY UPGRADE *California*<sup>®</sup>

*March 13, 2017*

*FYRM JCAP Workshop*



&

**DDB<sup>°</sup>**





---

# *Agenda*

# Agenda

## *Welcome & Opening Remarks*

Rory Cox, Programs & Evaluation – Supervisor, CPUC

*5 minutes*

## *Five Year Roadmap Review*

Michael Shue, Executive Vice President, DDC

*20 minutes*

## *One-Year Joint Consumer Action Plan Review*

Michael Shue, Executive Vice President, DDC

*20 minutes*

## *Media Plan Presentation*

Carolyn Parodi, MD, OMD

& Resolution Media

*30 minutes*

## *Segmentation Overview of Research Findings*

Meghan Tetwiler, Associate Strategy Director, DDB

*45 minutes*

## *Metrics and Targets Presentation*

Matt Perry, Group Business Director, DDB

Meghan Tetwiler, Associate Strategy Director, DDB

*30 minutes*

## *Closing Remarks and Next Steps*

Rory Cox, Programs & Evaluation – Supervisor, CPUC

*10 minutes*

---

# *Welcome & Opening Remarks*



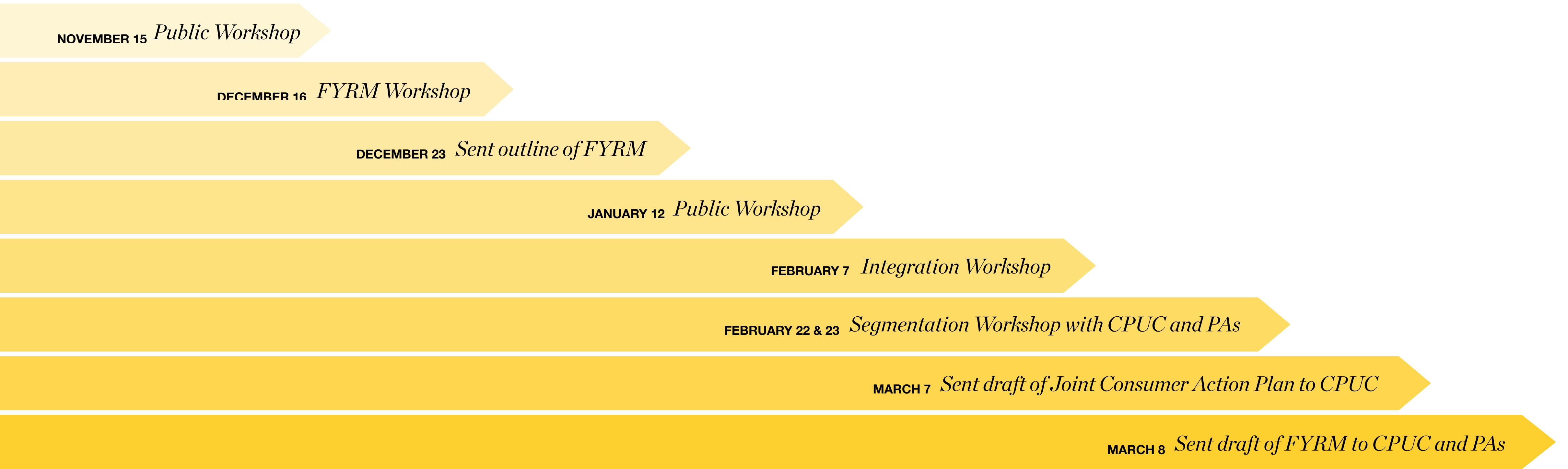
# Today's Purpose

---

“Work with Commission staff to lead a process to create a 5-year ME&O Roadmap for Energy Upgrade California and the Program Administrators (PAs). This will take into account of the IOU’s business plans for energy efficiency, as well as (but not limited to) marketing strategies for customer-owned generation, demand response, rate structures, water/energy nexus, electric vehicles, the California Climate Credit, low-income programs, and behavior change. This plan will outline long-term goals, metrics, and strategies for ME&O, and should explain how these strategies will lead to the greenhouse gas reduction and energy efficiency goals in CA Senate Bill 350.”

Today we present to you the Five Year Roadmap and the Joint Consumer Action Plan.

# How we got here



NOVEMBER 15

DECEMBER 16

DECEMBER 23

JANUARY 12

FEBRUARY 7

FEBRUARY 22 & 23

MARCH 7

MARCH 8



---

# *Five-Year Roadmap Review*

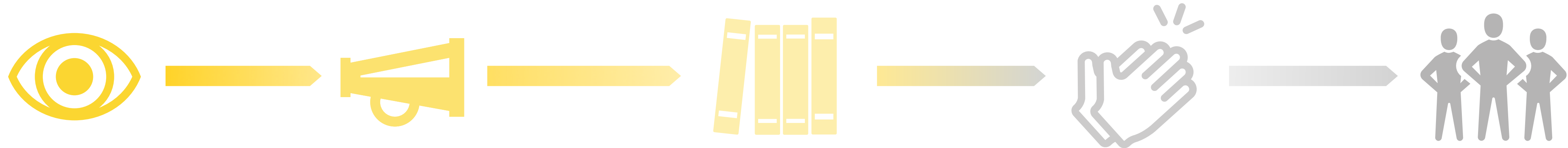
# Five-Year Roadmap Goal

---

Present high level objectives, strategies, and metrics for Energy Upgrade California to influence lead generation and long-term behavior change.



# Objectives



*1. Raise*  
awareness of  
California's  
success and the  
importance of  
continued energy  
management.

*2. Motivate*  
people;  
encourage every  
Californian to  
get onboard with  
the energy  
movement.

*3. Educate*  
people about how  
they can become  
better energy  
stewards; ensure  
they understand  
how they can  
take action.

*4. Drive Action;*  
convince people  
to do make  
energy-efficient  
purchases,  
participate in PA  
programs, and  
above all, become  
more active and  
better energy  
managers.

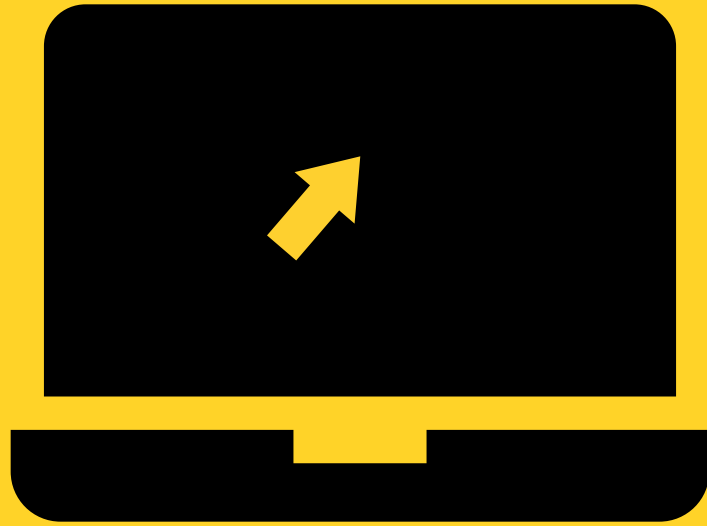
*5. Advocate* for  
the movement  
by amplifying  
the positive  
sentiment and  
actions of the  
program.

# How to Drive Action

---

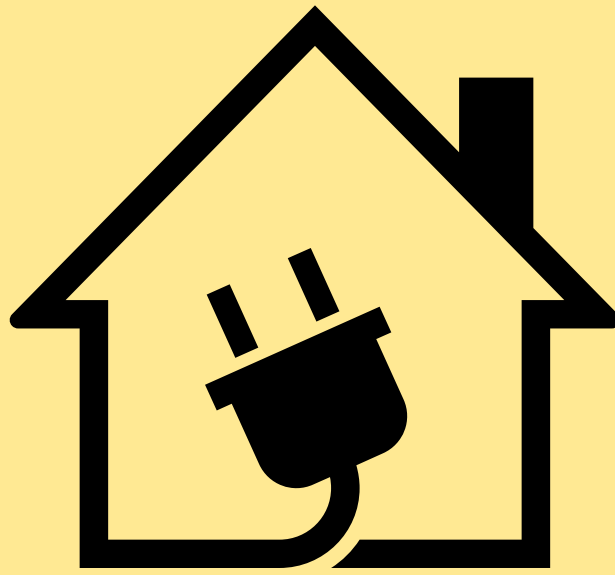
*Enroll*

sign up for Home  
Energy Advisor



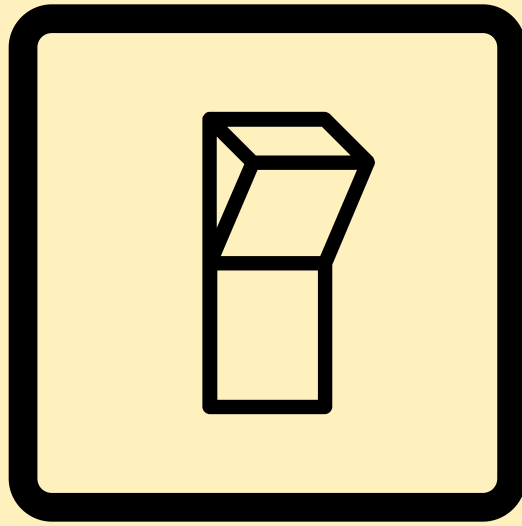
*Invest*

invest in a  
Home Upgrade



*Act*

turn off the lights





# High-Level Approaches

---

- Brand Lift and Leverage: Amplify the brand to build momentum for the energy movement, creating awareness and motivating Californians to think about their energy consumption behavior
- Community Engagement: Outreach to target organizations i.e. economically disadvantaged and harder to reach audiences to begin educating them about the brand and how to become energy stewards
- Collaboration with PAs: finding strategic intersects with them in terms of relationships with Grassroots Education & Outreach, retailers and program opportunities to educate, engage and facilitate behavior change

# Integration

<i>Product/Service</i>	<i>Website</i>	<i>Social</i>	<i>Advertising</i>	<i>Public Relations</i>	<i>Community Engagements</i>	<i>Events</i>
Energy Management Technologies						
Efficient Appliances						
Lighting						
RR/TOU						
Home Energy Reports/Advisor @ PA Site						
ESA						
Behaviors (free)						
Home Upgrade Program / Whole House						
HVAC						
Zero Net Energy						
Rooftop Solar						
Electric Vehicles						
CARE						
Demand Response/AC Cycling						
Climate Credit						
Community Choice Aggregation						

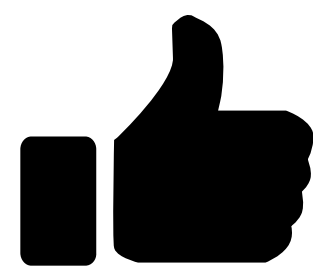


# Channels

---



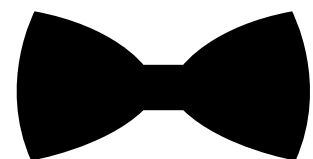
*Website*



*Social Media*



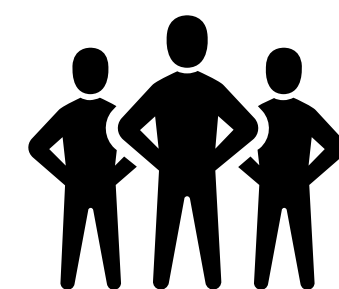
*Advertising*



*Events*

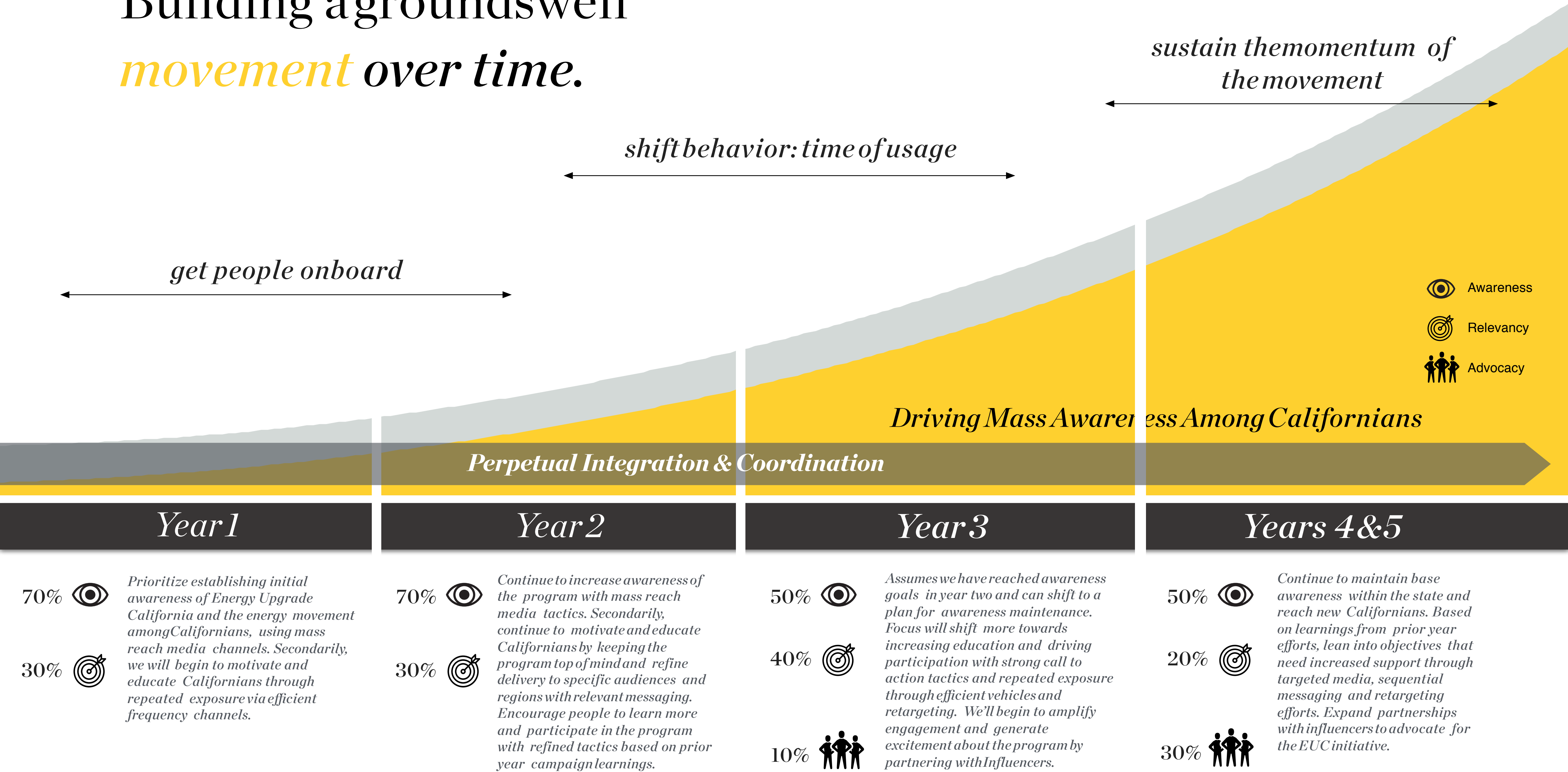


*PR*



*Grassroots Education  
& Outreach*

# Building a groundswell *movement* over time.





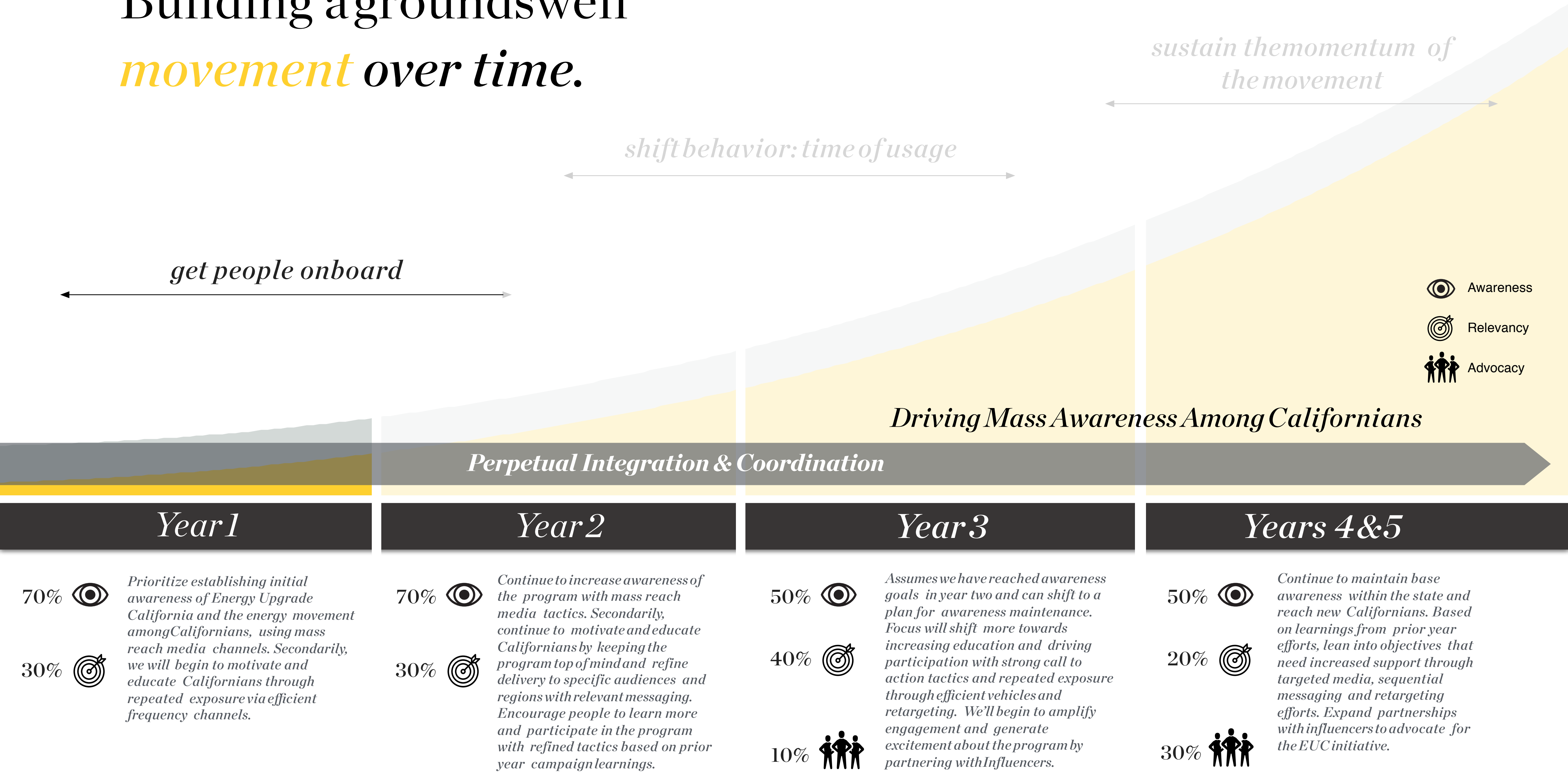
---

# *Joint Consumer Action Plan*

# *Goal of Joint Consumer Action Plan*

As stated in the California Public Utilities Commission (CPUC) Decision 16-03-29, each Annual Joint Consumer Action Plan “would include the goals and objectives, target audiences, high-level approaches and strategies, metrics, and implementation roles and responsibilities for each strategy.” In addition, each Joint Consumer Action Plan will be “developed by all stakeholders, and where appropriate, the plan will include strategies for co-branding of EUC with the PAs.”

# Building a groundswell *movement* over time.





## Audience Focus



Active Doers:  
*talk the talk &  
walk the walk*



Inactive Skeptics:  
*aware of issues,  
but not motivated  
to do anything*



# Joint Consumer Action Plan



*Public Relations*



*Paid Media*



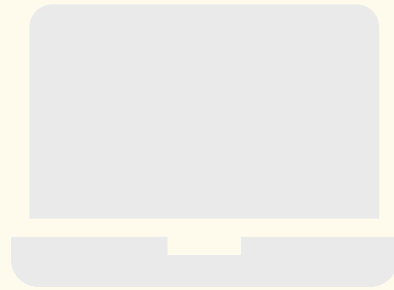
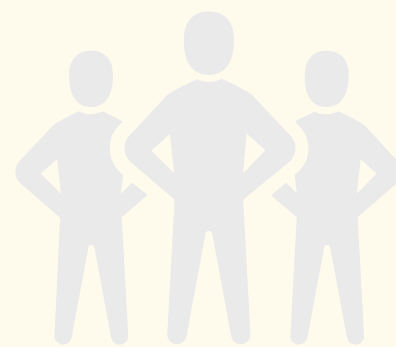


*Website*



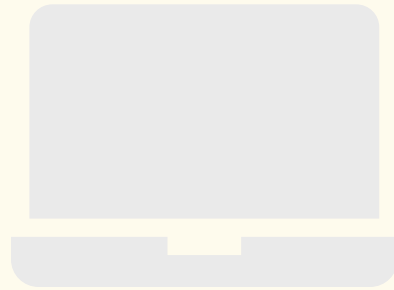
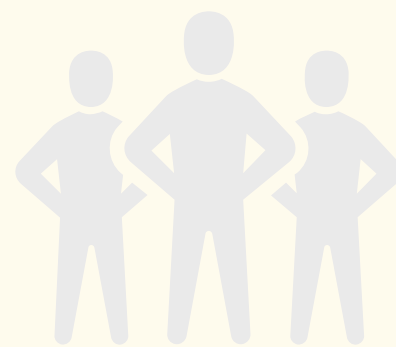


*Grassroots Education  
& Outreach*

# Joint Consumer Action Plan

 <i>Public Relations</i>	<ul style="list-style-type: none"><li>• Los Angeles/Orange County</li><li>• San Francisco/Oakland/San Jose</li><li>• Sacramento/Stockton/Modesto</li><li>• San Diego</li><li>• Fresno/Visalia/Bakersfield</li></ul>
 <i>Paid Media</i>	<ul style="list-style-type: none"><li>• Primary: Adults 25-54, California residents</li><li>• Secondary: small-business owners with 500 or fewer employees</li></ul>
 <i>Website</i>	<ul style="list-style-type: none"><li>• Single-Family Homeowners</li><li>• Renters</li><li>• Multi-Family Property Owners</li><li>• Small Businesses</li></ul>
 <i>Grassroots Education &amp; Outreach</i>	<ul style="list-style-type: none"><li>• Organizations for Economically Disadvantaged and Multicultural Communities</li><li>• Environmental/Energy Advocacy Orgs</li><li>• State-based businesses/organizations</li><li>• Education Community</li></ul>

# Joint Consumer Action Plan

 <i>Public Relations</i>	<ul style="list-style-type: none"><li>• Los Angeles/Orange County</li><li>• San Francisco/Oakland/San Jose</li><li>• Sacramento/Stockton/Modesto</li><li>• San Diego</li><li>• Fresno/Visalia/Bakersfield</li></ul>
 <i>Paid Media</i>	<ul style="list-style-type: none"><li>• Primary: Adults 25-54, California residents*</li><li>• Secondary: small-business owners with 500 or fewer employees</li></ul>
 <i>Website</i>	<div>*refined targeting pending segmentation study</div> <ul style="list-style-type: none"><li>• Single-Family Homeowners</li><li>• Renters</li><li>• Multi-Family Property Owners</li><li>• Small Businesses</li></ul>
 <i>Grassroots Education &amp; Outreach</i>	<ul style="list-style-type: none"><li>• Organizations for Economically Disadvantaged and Multicultural Communities</li><li>• Environmental/Energy Advocacy Orgs</li><li>• State-based businesses/organizations</li><li>• Education Community</li></ul>

# Joint Consumer Action Plan

 <i>Public Relations</i>	<ul style="list-style-type: none"><li>• Los Angeles/Orange County</li><li>• San Francisco/Oakland/San Jose</li><li>• Sacramento/Stockton/Modesto</li><li>• San Diego</li><li>• Fresno/Visalia/Bakersfield</li></ul>
 <i>Paid Media</i>	<ul style="list-style-type: none"><li>• Primary: Adults 25-54, California residents</li><li>• Secondary: small-business owners with 500 or fewer employees</li></ul>
 <i>Website</i>	<ul style="list-style-type: none"><li>• Single-Family Homeowners</li><li>• Renters</li><li>• Multi-Family Property Owners</li><li>• Small Businesses</li></ul>
 <i>Grassroots Education &amp; Outreach</i>	<ul style="list-style-type: none"><li>• Organizations for Economically Disadvantaged and Multicultural Communities</li><li>• Environmental/Energy Advocacy Orgs</li><li>• State-based businesses/organizations</li><li>• Education Community</li></ul>



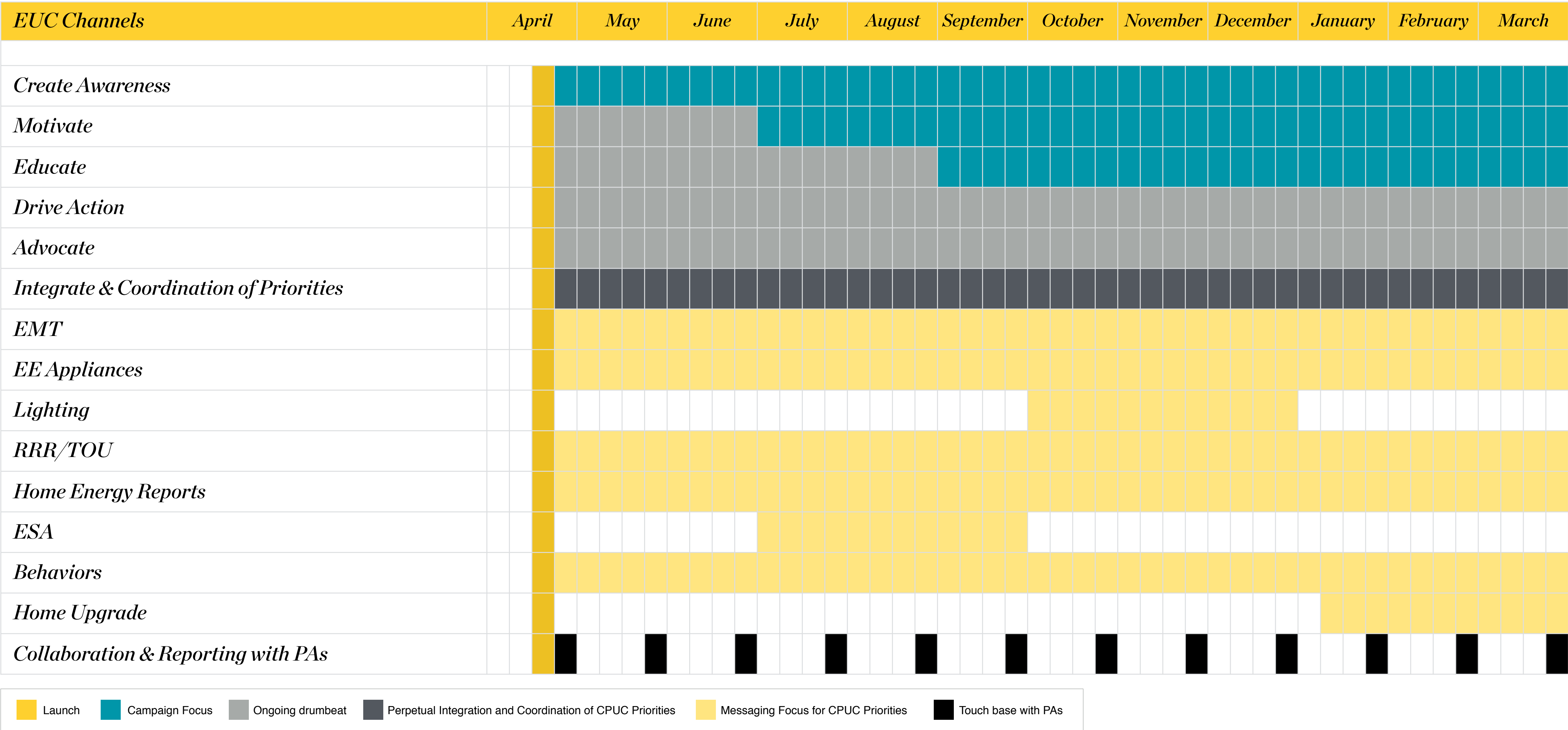
# Joint Consumer Action Plan

 <i>Public Relations</i>	<ul style="list-style-type: none"><li>• Los Angeles/Orange County</li><li>• San Francisco/Oakland/San Jose</li><li>• Sacramento/Stockton/Modesto</li><li>• San Diego</li><li>• Fresno/Visalia/Bakersfield</li></ul>
 <i>Paid Media</i>	<ul style="list-style-type: none"><li>• Primary: Adults 25-54, California residents</li><li>• Secondary: small-business owners with 500 or fewer employees</li></ul>
 <i>Website</i>	<ul style="list-style-type: none"><li>• Single-Family Homeowners</li><li>• Renters</li><li>• Multi-Family Property Owners</li><li>• Small Businesses</li></ul>
 <i>Grassroots Education &amp; Outreach</i>	<ul style="list-style-type: none"><li>• Organizations for Economically Disadvantaged and Multicultural Communities</li><li>• Environmental/Energy Advocacy Orgs</li><li>• State-based businesses/organizations</li><li>• Education Community</li></ul>

# High-Level Approaches and Corresponding Strategies

<i>Brand Lift and Leverage</i>	<i>Community Engagement</i>	<i>Collaboration with PAs</i>
Establish a new brand identity for Energy Upgrade California	Explore long-term partnerships with California-based brands, academia, media influencers, and large retailers	Utilize the framework of existing energy management programs to expand EUC’s umbrella campaign, and work closely with PAs to ensure a cohesive, coordinated message
Redesign the Energy Upgrade California	Identify and reach out to Grassroots Education & Outreach	Leverage the PAs’ existing relationships with community organizations to increase awareness of program incentives and highlight how Californians can become better energy stewards
Use broad-reaching media channels and impactful placements to drive awareness	Educate and coordinate with well-established and trusted Grassroots Education & Outreach to increase credibility and recognition of energy stewardship	
Connect Energy Upgrade California to the energy movement and inject Energy Upgrade California into existing conversations	Utilize unique messaging targeted to specific memberships/interests/geographical locations through Grassroots Education & Outreach channels to empower individuals to incorporate better stewardship practices in their daily lives	
Utilize engaging media channels to share more information and educate Californians about EUC and the energy movement	Form alliances with groups and institutions (with similar goals to that of Energy Upgrade California) and use every opportunity to broaden the brand’s reach and message through these partners	
Drive participation with retargeting and repeated exposure		
Distribute messaging through regional media channels		
Launch Energy Upgrade California brand and initiative by developing a suite of press materials and hosting press and consumer events		

# Energy Upgrade California Timeline: April 1, 2017 – March 31, 2018



---

# *Media Plan Presentation*



# Media Milestones



# Objectives and Strategy Overview

### Media Objectives

- Primary: Generate awareness of the energy movement brought to you by Energy Upgrade California
- Secondary: Drive engagement with program content across channels

### Target Audience

- Primary: Adults 25-54, California residents of all ethnicities\*
- Secondary: Small Business Owners in California of all ethnicities

### Markets

- Tier I: Palm Springs, Los Angeles, Bakersfield, San Francisco-Oakland-San Jose, Sacramento-Stockton-Modesto, Fresno-Visalia
- Tier II: San Diego, Santa Barbara-Santa Maria-San Luis Obispo, Monterey-Salinas, Yuma-El-Centro, Eureka, Chico-Redding

### Timing

- April 26th – September 3rd 2017

### Planning Considerations & Communication Goals

- Ensure Television coverage for all markets to build awareness
- For Tier II markets, expand beyond TV as affordable
- Maximize reach at launch to jump start awareness
- Seek to minimize hiatus periods to no more than 2 consecutive weeks
- Maximize reach during the year at the 3x frequency level



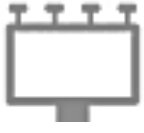



\* target refinement pending segmentation study results

Source: MRI Doublebase 2016. Base CA Resident, Adults 25-54, Media Quintiles.

### Media Objectives and Strategy

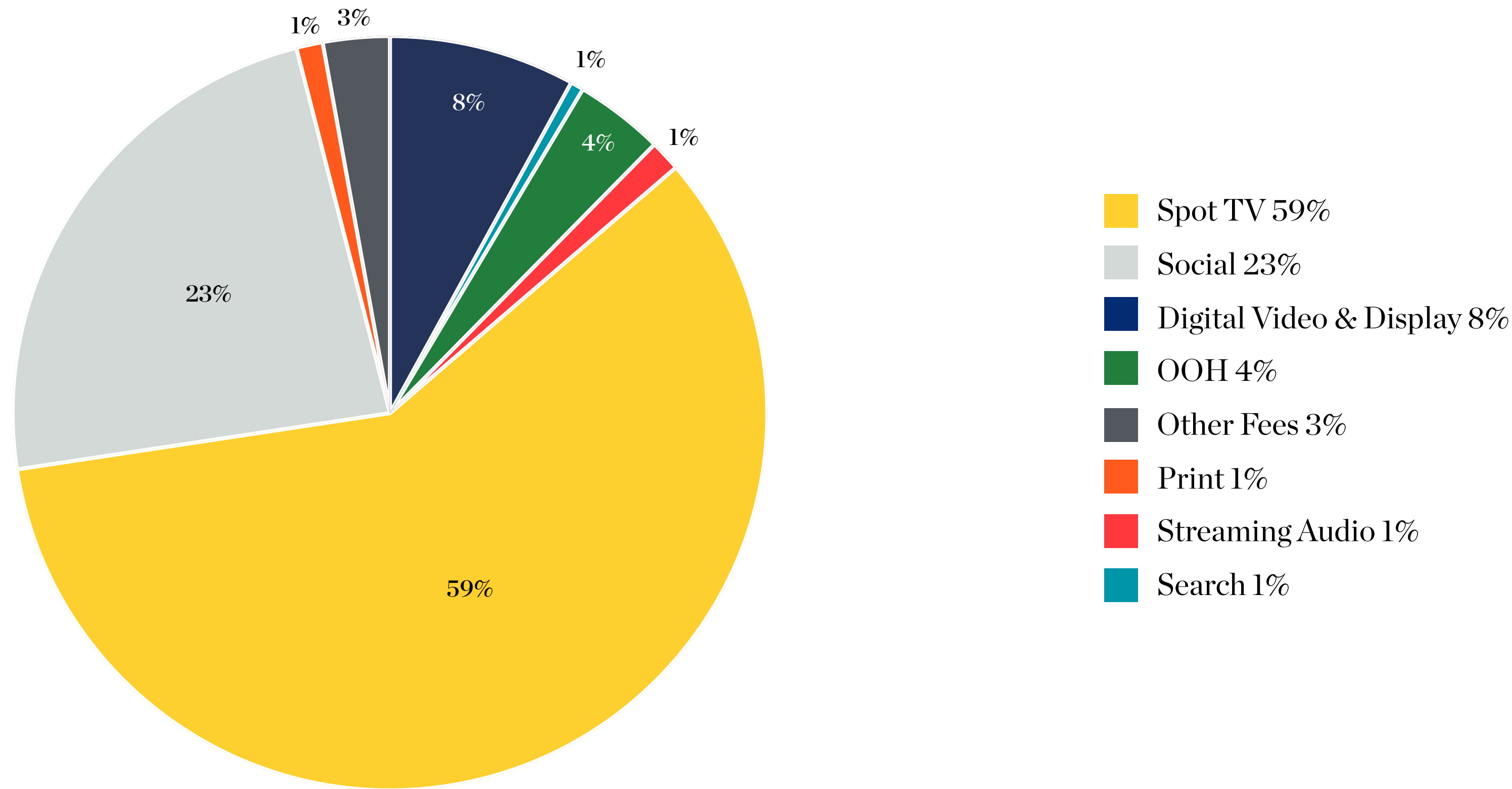
Objective	Strategy	Media Channel & Role
Awareness	<ul style="list-style-type: none"><li>• Use broad reaching media channels and impactful placements to drive awareness</li><li>• Secure high impact, relevant partnerships to elevate the EUC brand and generate excitement</li></ul>	<ul style="list-style-type: none"><li>• Television - Broad reaching media channel</li><li>• Digital Video - Extends reach of Television</li><li>• OOH - High impact media placements</li><li>• Social -Awareness Brand Posts</li></ul>
Motivation	<ul style="list-style-type: none"><li>• Align with contextually relevant content (energy, sustainability, climate change news at the local national level) to connect EUC to the energy movement and inject EUC into the conversation</li><li>• Extend reach and frequency with efficient media tactics to maximize budgets and drive reach and continuity through December</li></ul>	<ul style="list-style-type: none"><li>• Audio – Efficient frequency channel</li><li>• Digital Display - contextually targeted</li><li>• Social – Target audiences with highly relevant content</li></ul>
Educate	<ul style="list-style-type: none"><li>• Utilize engaging media channels to share more information and educate Californians about EUC and the energy movement</li></ul>	<ul style="list-style-type: none"><li>• Print– Strong education platform with longer dwell time</li><li>• Social – Share the latest energy management information</li></ul>
Participate & Encourage	<ul style="list-style-type: none"><li>• Drive participation with retargeting and repeated exposure</li><li>• Serve targeted media with a strong call to action</li></ul>	<ul style="list-style-type: none"><li>• Paid Search - Brand search terms</li></ul>
Advocate	<ul style="list-style-type: none"><li>• Build relationships and conversation with social followers</li><li>• Amplify the EUC message through Influencer partnerships</li></ul>	<ul style="list-style-type: none"><li>• Social - Build relationships and conversation with social followers</li></ul>

### Target Audience Media Consumption

	 TV	 DIGITAL MEDIA	 OUTDOOR	 PRINT	 STREAMING AUDIO	 SOCIAL MEDIA
General Market	Medium	Heavy	Heavy	Heavy	Heavy	Medium
Hispanic	Medium	Light	Heavy	Heavy	Heavy	Medium
Asian	Light	Heavy	Light	Light	Medium	Medium
Small Business	Light	Heavy	Heavy	Heavy	Heavy	Heavy

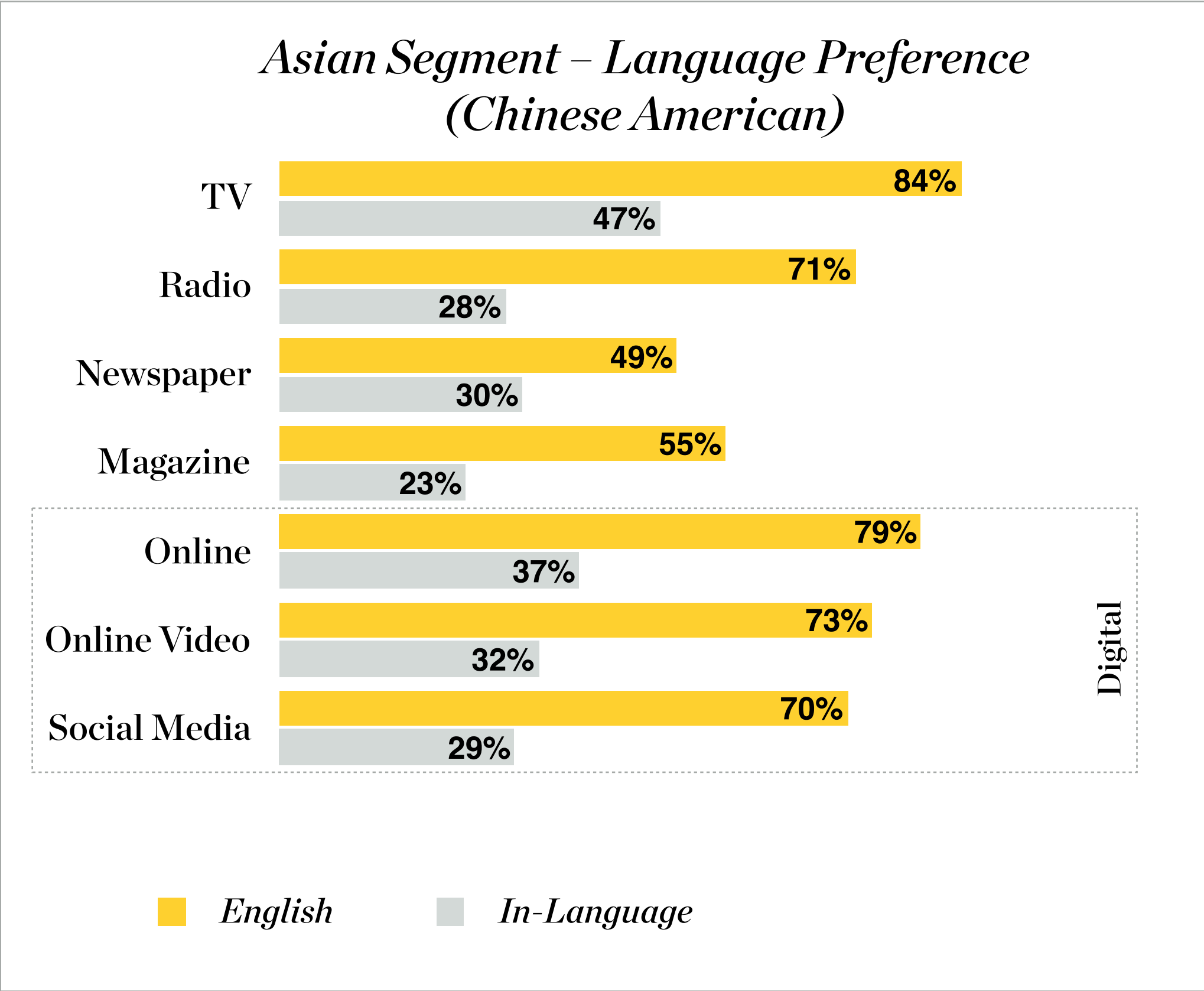
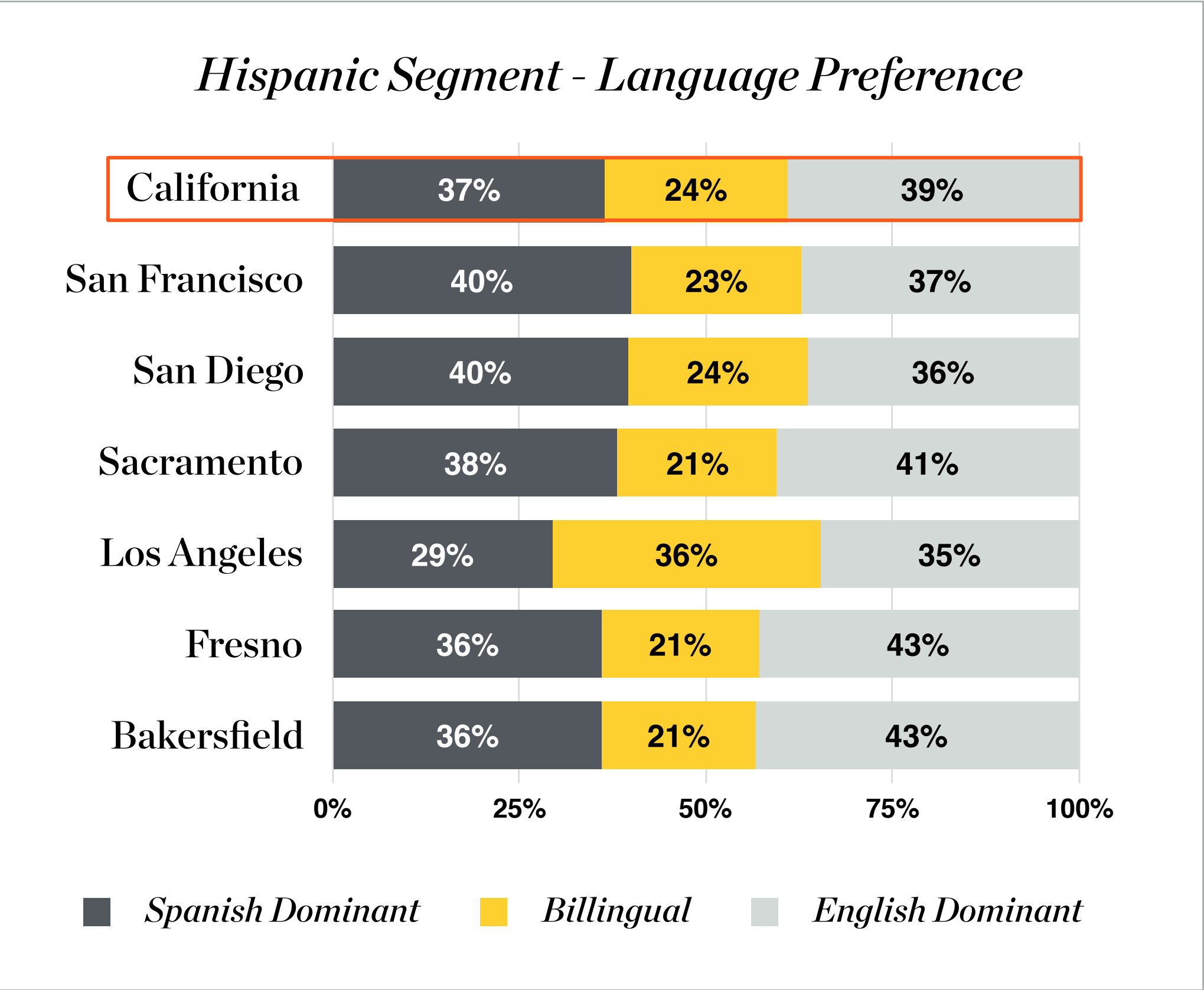
# Launch Media Mix

*Balanced mix of awareness, relevancy and continuity across efficient frequency channels*



# In Language Preference – Hispanic and Asian Segments

*Developed media plan with a total market approach to reach multicultural segments in key markets*



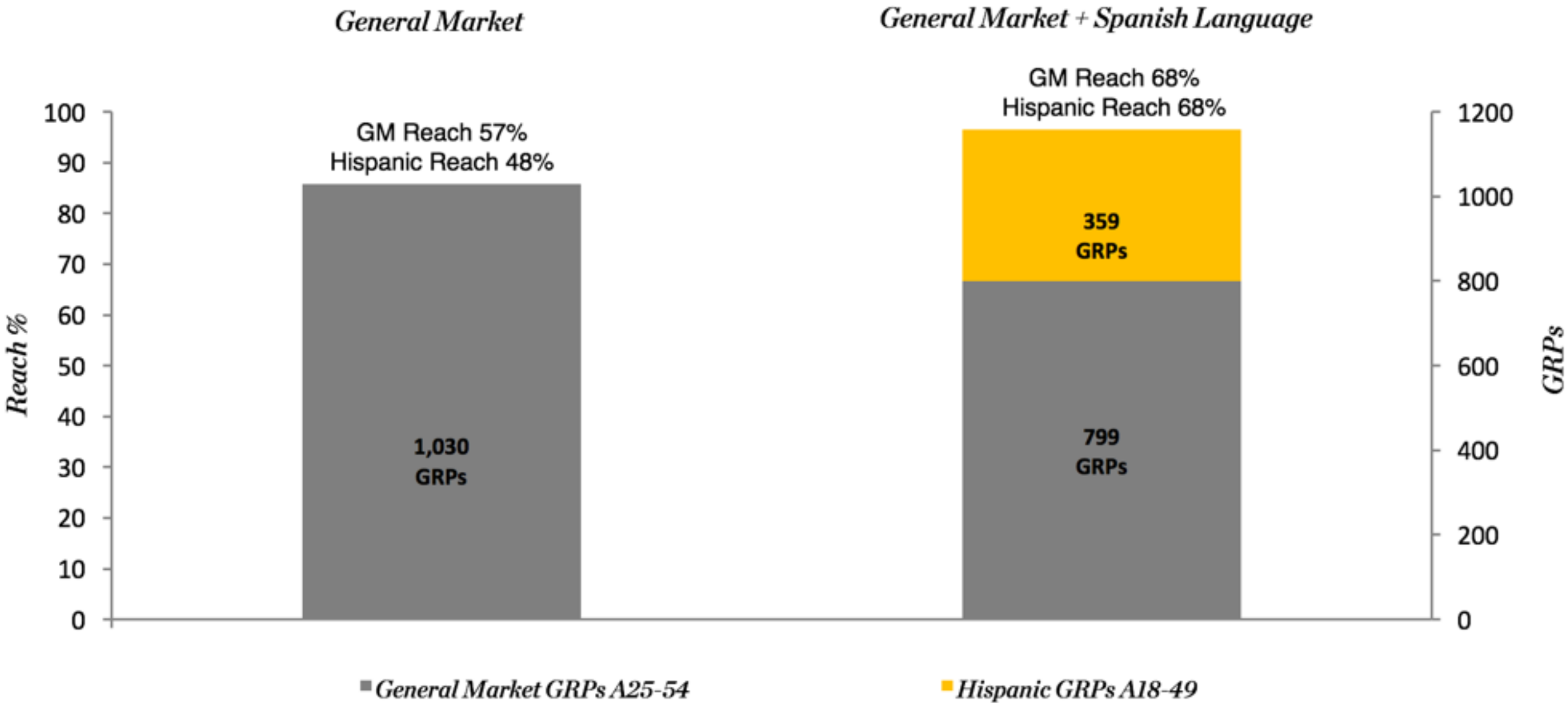
Source: Nielsen Universe Estimates 2017, TV Households. Motivate & New American Dimensions Asian American Media & Path-to-Purchase Study, 2015



# Hispanic TV Gap Analysis

We conducted an analysis to determine the appropriate level of Spanish Language TV to place in market to deliver equal reach to Hispanics and General Market.

- Overall, GM TV delivered approximately 10% fewer impressions to Hispanics
- By including Spanish Language media to close that gap, we were able to improve both our Hispanic reach as well as GM reach




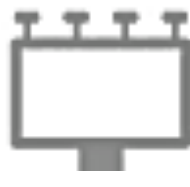






Source: Optv. Los Angeles proxy.

# Priority Segment Channel Allocation

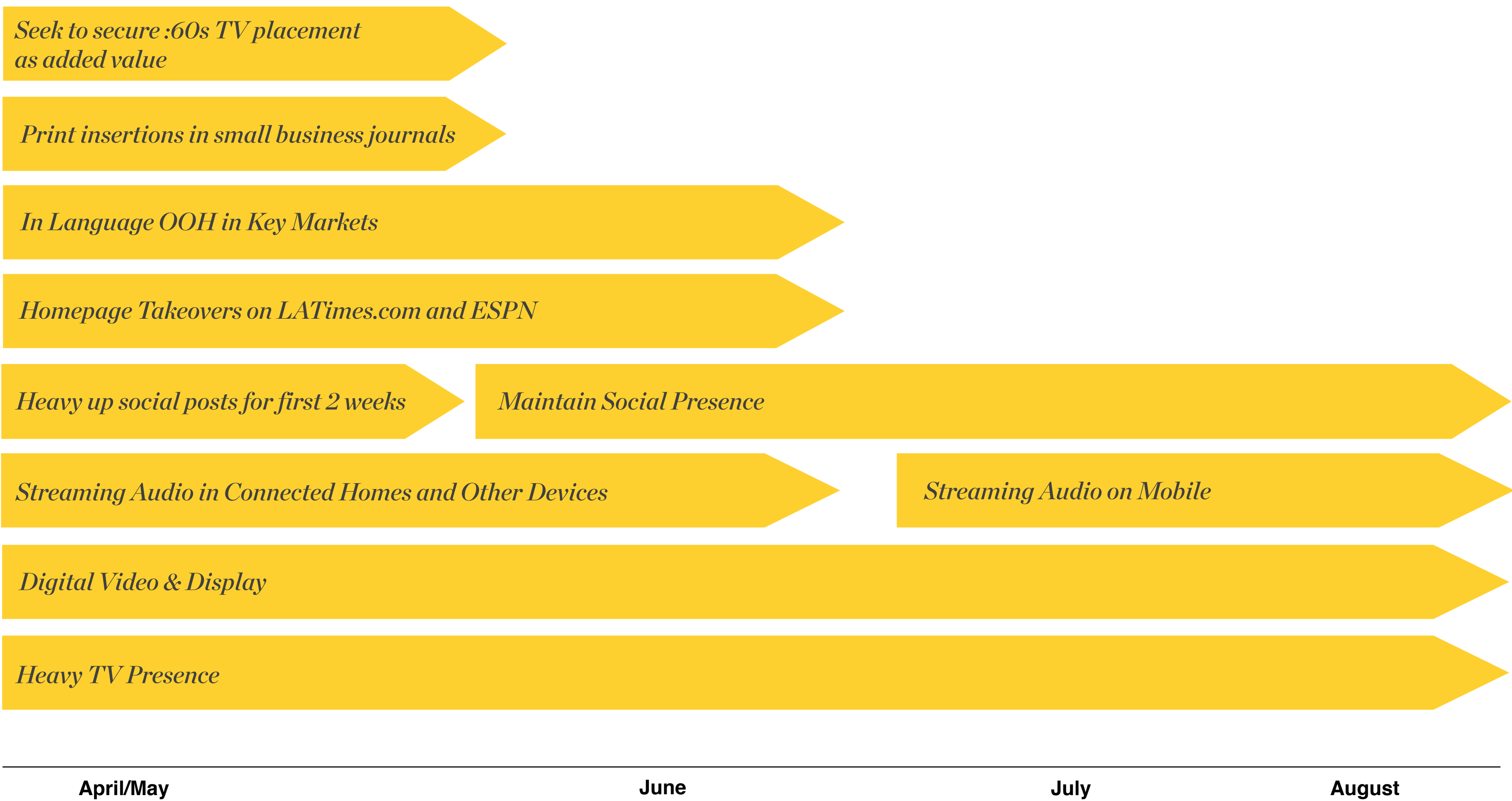
Allocate media weight relative to Hispanic and Asian population and media consumption.

- Video will support General Market and Hispanic
- Reach Hispanic and Asian\* segments with in-language messaging through targeted Digital Display & OOH
- Asian and Small Business segments will get support from 2 channels

	 TV	 DIGITAL VIDEO	 DIGITAL DISPLAY	 OUTDOOR	 PRINT	 STREAMING AUDIO	 SOCIAL MEDIA	 PAID SEARCH
General Market	X	X	X			X	X	X
Hispanic	X	X	X	X		X	X	X
Asian			X	X				
Small Business			X		X			

\*Asian languages include Vietnamese, Chinese (traditional) and Korean

# Launch Strategy & Highlights



# Media Plan Summary

## TV *Tier I and II markets*

GM  
HIS

Example networks



## Audio *Tier I and II markets*

GM  
HIS



## OOH *Key MC Markets*

HIS  
ASN



## Social *All California*

GM  
HIS



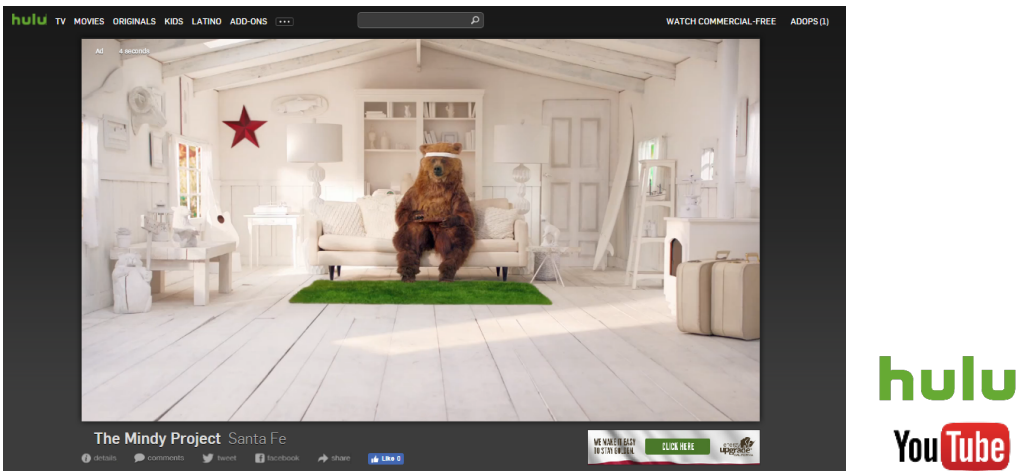
## Print *Small Business Only*

SMB



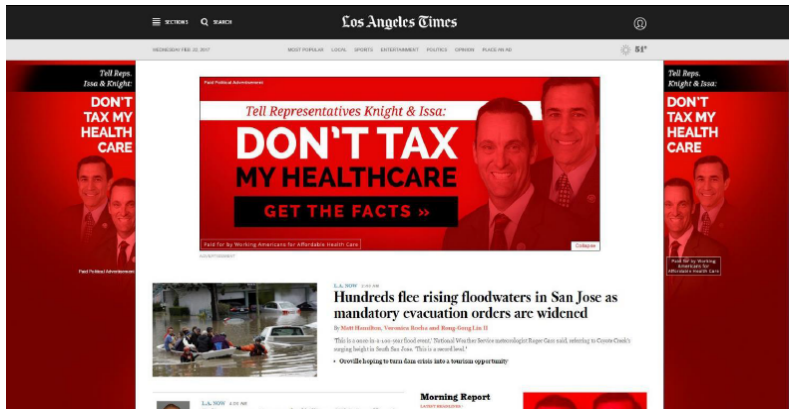
## Digital Video *All California*

GM  
HIS



## Digital Display *All California*

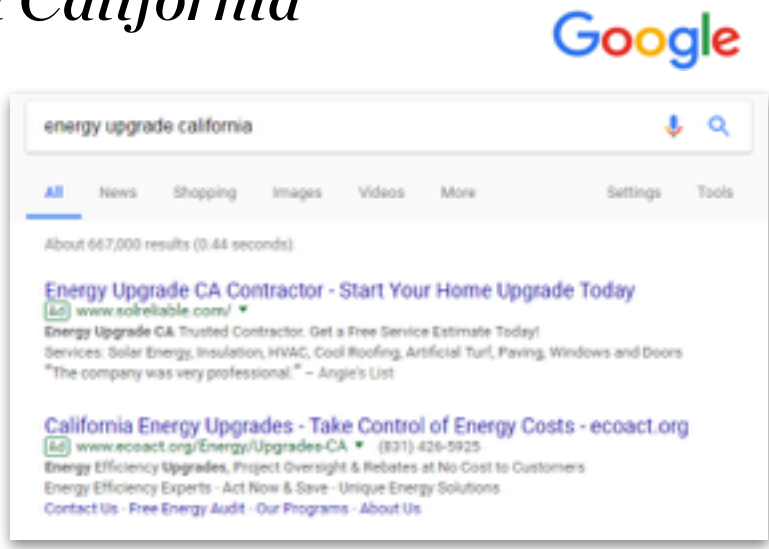
GM  
HIS  
ASN  
SMB



annalect  
Los Angeles Times  
ESPN  
ESPN DEPORTES

## Search *All California*

GM  
HIS



GM: General Market  
HIS: Spanish Language  
ASN: Asian Languages (Korean, Chinese, Vietnamese)  
SMB: Small Business Owners



# Media Plan Flowchart

Broadcast Quarter Broadcast Month Week of		Q2								Q3																														
		April	May				June				July					August				September																				
		24	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	4	11																		
Media																																								
Local Television							Memorial day					4th of July																												
SF, Sacramento, San Diego, Santa Barbara, Eureka, Chico		50	80	80	80	80	50	80	80	80	80	50	80	80	80	50	50	50	50	50																				
Palm Springs, Los Angeles, Bakersfield, Fresno-Visalia, Monterey-Salinas, Yuma-El Centro		39	62	62	62	62	39	62	62	62	62	39	62	62	62	39	39	39	39	39																				
Spanish Languauge Television																																								
Palm Springs, Los Angeles, Bakersfield, Fresno-Visalia, Monterey-Salinas, Yuma-El Centro		17	28	28	28	28	17	28	28	28	28	17	28	28	28	17	17	17	17	17																				
Digital Video + Display																																								
All markets																																								
Streaming Audio																																								
All markets																																								
OOH																																								
Spanish Language: Palm Springs, Los Angeles, Bakersfield, Fresno-Visalia																																								
Asian Languages: San Francisco, Los Angeles																																								
Print																																								
San Francisco, Sacramento		4/28		5/12		5/26																																		
Los Angeles			5/1		5/15		5/29																																	
Social																																								
All Markets																																								
Paid Search																																								
All Markets																																								



# OMD Media Measurement Approach

---

## What are we trying to do?

- Measure the effectiveness of the media across each segment
- **Why are we trying to do this?**
- Campaign optimization
- Channel selection for year 2

## How are we going to do this and what are the data sources?

- A brand study is recommended to measure and optimize the effectiveness of all media channels
- Digital optimization against front-end proxies of awareness while the campaign is live

## *Measurement Layers Throughout Campaign Life Cycle (Year 1)*



# Measurement Framework

Scope	Tactic	KPI	Measurement Phase	Data Source
Campaign Success	All Media*	Awareness	Post-campaign	Segmentation (DB5) + Brand study (OMD)
Campaign Optimization	Upper Funnel Display, Digital Video, Social	Viewability + Frequency	Campaign is live	Ad Server (OMD)
	Programmatic Display	Site visits + Site engagement	Campaign is live	Ad Server (OMD)
Diagnostic	Total Digital	Click-thru Rate	Campaign is live	Ad Server (OMD)

\*No OOH

### Optimization Strategy

- Recommend brand study to measure awareness and brand perception against each media tactic by segment
- Digital awareness proxies that are linked to impact (i.e. efficient exposure of the campaign)
- Reporting cadence –
  - Digital: Monthly Reporting Dashboard, Wrap Up Report after each campaign ends
  - Total Channel: Annual Wrap Up Report

### Media Metric Definitions for Digital Tactics

- Viewability: at least half of the ad is in view for either 1 second, or 2 continues seconds depending on tactics
- Frequency: is the rate at which an individual is exposed to an ad

# Brand Study: Which Media Tactics Are Working?

## What is it?

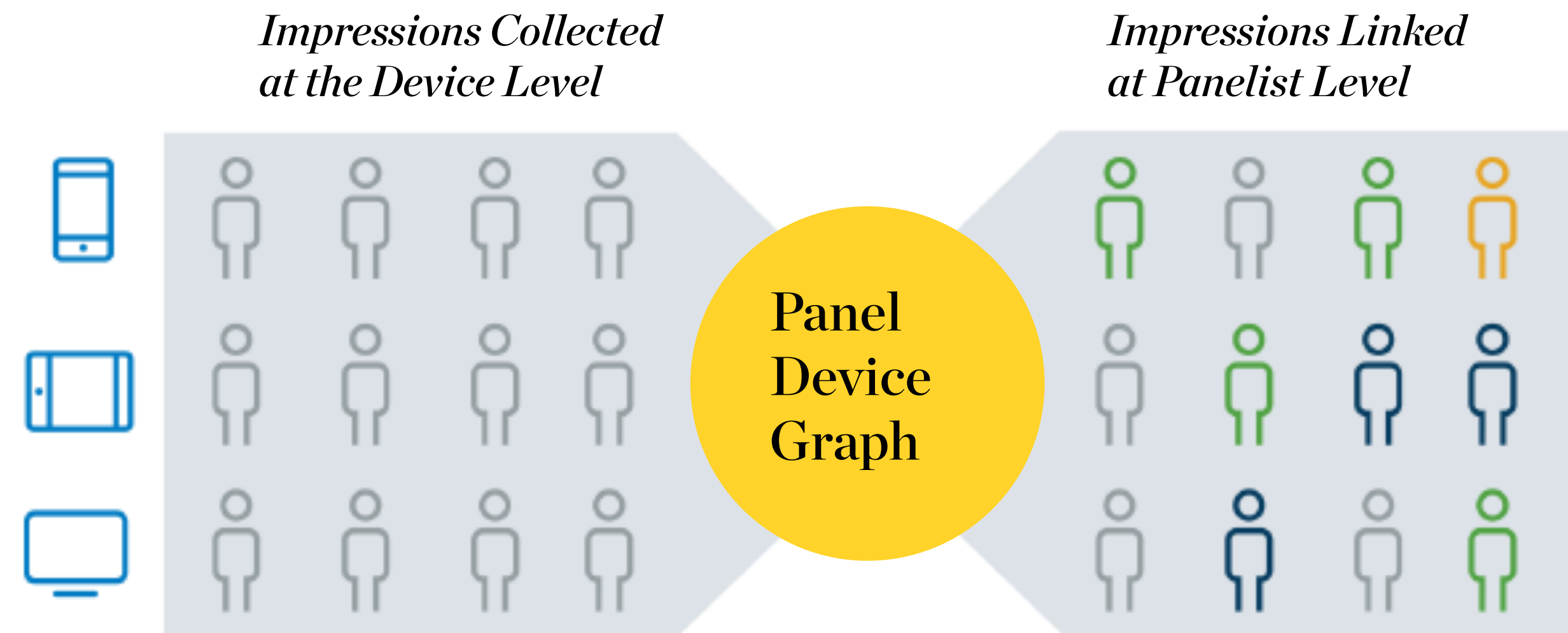
- A control and exposed research study that will survey people based on exposure to the campaign
- The study will categorize sample across each media tactic
- It is different from the segmentation study because it will only measure media effectiveness by tactic

## What will we learn and what are the media implications?

- Identify which media tactics are impacting brand metrics (e.g. familiarity, overall opinion, brand perception, etc.)
- Example questions include (by segment):
  - Which media vehicles work best
  - What is the optimal frequency to impact brand metrics?
  - Are certain types of media synergies more effective at impacting brand metrics
  - Ad hoc brand level questions (e.g. does seeing the message on this channel make you want to take action?)

## Media Details

- Media Cost: \$150,000
- Timing: April – December 2017



---

# *Segmentation Overview of Research Findings*

---

# *Metrics & Targets Presentation*



# Measurement & Target Setting

---

In year one, DDB will establish baseline campaign performance. This will be accomplished by fielding the DB5 tracking research semi-annually and capturing platform-specific metrics throughout the year. Approaching measurement from a baseline/ YoY comparison is recommended as it will normalize variables such as seasonality and market-wide fluctuations in sentiment/ action. Where applicable, industry benchmarks will be used as a proxy for performance evaluation.

Additionally, DDB will be supporting a third party ad effectiveness study (brand study) to measure the impact of paid media. The goal of the study will be to understand the optimal frequencies for driving awareness, consideration and familiarity. The output of the study will optimize the media mix and planned frequency goals for the second year with ongoing reviews of, and adjustments to, targets in subsequent years.

# Communication Plan & Measurement

Marketing Objective	Key Measures	Relationship to Objective	Relationship to Objective	Measurement Tools	Reporting Frequency
Awareness & Intent	Shift in aided awareness <sup>1</sup> Shift in unaided awareness <sup>2</sup>	YOY % increase	DB5 Tracking Study	Semi-Annually	YOY % increase
	Shift in familiarity ladder <sup>1</sup>				
	Shift in motivation <sup>3</sup> I'm always seeking out ways to be more energy efficient				
	Shift in Energy Education <sup>4</sup> Increase in awareness of number of energy saving options				
	Shift in Participation <sup>5</sup> Increase in frequency of actions taken				
	Shift in Participation Increase in engagement with content Lead generation (Google Analytics referral traffic)	YOY % increase	Platform-Specific Metrics	Quarterly	YOY % increase
	Shift in Advocacy Increase in sharing, mentions, likes, follows, comments Social community growth per platform				

<sup>1</sup>We'd like you to think about how familiar you are with the program/initiative listed below. Please mark the box that comes closest to describing how familiar you are with that program/initiative.

<sup>2</sup>We'd like you to think about energy efficiency actions, programs, and initiatives. Please type below the name of the different programs and initiatives you have heard of including the brands/companies/government institutions promoting these programs/initiatives/actions. You can type as many as you like.

<sup>3</sup>Using a scale of 1 to 5 where 5 means 'strongly agree' and 1 means 'strongly disagree,' how well does each of the following statements describe you?

<sup>4</sup>Below are a range of ways people can better manage their energy usage and be more energy efficient. Which are you aware of?

<sup>5</sup>And which of the following have you done?

---

# *Closing Remarks & Next Steps*

# What’s Our Timeline

March						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2 DDB receives feedback from CPUC on FYRM	3	4
5	6	7 DDB submits updated Joint Action Plan to CPUC	8 DDB resubmits FYRM to CPUC and submits FYRM to PAs	9	10 DDB receives feedback from CPUC on Joint Action Plan	11
12	13 Workshop to present FYRM and Joint Action Plan CPUC/PAs	14 DDB sends Joint Action Plan to PAs for review	15	16	17	18
19	20 DDB receives feedback from PAs on Joint Action Plan Start Campaign Production	21	22	23	24 DDB receives feedback from PAs on FYRM	25
26	27 Start Campaign Post-Production	28	29	30 DDB floats final copy of FYRM and Joint Action Plan to CPUC and PAs (receive by 9:00 am)	31	

For Reference

Electronic

In-Person

Over the Phone

NOTE: All drafts will be sent by 5pm PT and feedback is due no later than 9am PT with the exception of the final drafts (sent at 9am and due at 12 noon).



---

*Thank you*